

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

ELEANOR and ROCCO CIOFOLETTI
and LARRY STOSPAL, on behalf of
themselves and all others similarly
situated,

Plaintiff,

-vs-

SECURIAN FINANCIAL GROUP, INC.,
MINNESOTA LIFE INSURANCE
COMPANY, SHURWEST, LLC,
SECURIAN LIFE INSURANCE
COMPANY and MINNESOTA
MUTUAL COMPANIES, INC.,

Defendants.

Case No.: 0-18-cv-03025-JNE-
ECW

**WRITTEN UPDATE
REGARDING DEFENDANT
SHURWEST, LLC
BANKRUPTCY
PROCEEDINGS**

As required by this Court's September 16, 2021, Order (ECF No. 287), Plaintiffs Eleanor Ciofoletti, Rocco Ciofoletti, and Larry Stospal (collectively, "Plaintiffs") [and Defendants Securian Financial Group, Inc., Minnesota Life Insurance Company, Securian Life Insurance Company and Minnesota Mutual Companies, Inc. (together, "Securian")] submit this Written Update Regarding Defendant Shurwest, LLC Bankruptcy Proceedings.

BACKGROUND

Defendant Shurwest LLC filed a suggestion of Bankruptcy on August 31, 2021 (ECF No. 263) notifying the Court that it filed a petition for relief pursuant to Title 11 of the United States Code (the "Bankruptcy Code") in the United States District Court for the

District of Arizona. *In re: Shurwest, LLC*, an Arizona Limited Liability Corporation (FKA *Shurwest Inc.*), Case No. 21-bk-06723 (D. Ariz. Bky.). Based on the suggestion of Bankruptcy, the Court stayed this action as to Shurwest LLC as of August 31, 2021, and ordered the action remain stayed as to Shurwest LLC until further order of the Court by operation of 11 U.S.C. 362(a). *See* ECF No. 271.

On September 16, 2021, the Court granted the Securian Defendants and Plaintiffs' Stipulation for Stay of the Entire Case Except as to Certain Depositions and stayed the entire case¹ until further order of the Court. *See* ECF No. 287. The Order provides:

Unless the basis for the automatic stay as to Shurwest dissipates sooner . . . on or before November 30, 2021, the parties shall provide a written update to the Court regarding the status of the bankruptcy proceeding, the continued viability of the stay, and any recommendations for further case management.

See ECF No. 287 at p.2. The Parties are providing the update below pursuant to the Court's September 16, 2021, Order (ECF No. 287)

**STATUS OF THE SHURWEST BANKRUPTCY, VIABILITY
OF THE STAY, AND RECOMMENDATIONS FOR FURTHER CASE
MANAGEMENT**

The basis for the automatic stay as to Shurwest has not dissipated as the bankruptcy proceedings are ongoing. Significant events and deadlines include the following:

October 5, 2021	Meeting of Creditors
October 5, 2021	Ad Hoc Committee Motion to Remove the Debtor in Possession. (ECF No. 90).
November 9, 2021	Deadline to file Proofs of Claim.

¹ The Court allowed the parties to complete certain non-Shurwest depositions that had previously been noticed on or before October 1, 2021. All of the allowed depositions were timely completed.

November 10, 2021	Interested parties submitted position papers for a subsequently cancelled Video Mediation. (ECF No. 136).
January 11, 2022	Chapter 11 Ballots Due (ECF No. 144).
January 18, 2022	Confirmation Hearing and Hearing on Motion to Remove Debtor in Possession. (ECF Nos. 144 & 145).

Discovery is currently taking place in the bankruptcy proceedings in connection with the Ad Hoc Committee's Motion to Remove the Debtor in Possession.

Shurwest bankruptcy counsel has indicated it may file a motion to transfer this case to the bankruptcy court. In the interim, Plaintiffs [**and Securian**] believe it appropriate to continue the existing stay while the bankruptcy proceeding remains active and therefore propose providing another written update to the Court in 90 days, on February 28, 2022.

Dated: November 30, 2021

Respectfully submitted,

s/ Daniel J. Nordin

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Attestation: I, Gillian H. Clow, hereby attest that I have received the consent of Daniel J. Nordin, counsel for Plaintiffs, to file this document and that he concurs with this document's contents.

CERTIFICATE OF SERVICE

I hereby certify that on November 30, 2021, I caused a copy of **WRITTEN UPDATE REGARDING DEFENDANT SHURWEST, LLC BANKRUPTCY PROCEEDINGS** to be served upon the following counsel in the manner described below:

Via the Court's CM/ECF system:

[Gillian H. Clow]

[gillian.clow@alston.com]

Dated: November 30, 2021 /s/ Gillian H. Clow